(c) and (d) Yes, Sir. The Life Insurance Corporation of India (Agents) Rules, 1972 which contains terms and conditions of service of agents have been revised by the Central Government under Section 48(2) (cc) of Life Insurance Corporation Act, 1956. The amendments in LIC (Agents) Rules 1972 were made with the objective to achieve growth, productivity and retention of agents by arresting the trend of termination of their services.

(e) No, Sir.

(f) and (g) Does not arise.

Non-declaration of dividends by Mutual Fund Companies

2042. SHRI VARINDER SINGH BAJWA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that large number of Mutual Funds have not declared dividend for years inspite of their earnings being more than 10 per cent for a particular year/ period;

(b) if so, the reasons therefor and the number thereof for the last three years ending 30 November, 2009; and

(c) what type of supervision is exercised by Securities and Exchange Board of India (SEBI) on such mutual funds to ensure that the small investors get dividends which are due on a regular basis?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) As per extant SEBI regulations, it is not mandatory for mutual fund schemes to provide for and to declare dividend. A mutual fund may declare dividend in accordance with the offer document and subject to specified guidelines. The quantum of dividend is fixed by trustees and is paid subject to availability of distributable surplus.

According to SEBI regulations a mutual fund may declare dividend after making appropriate disclosure through notice or advertisements where applicable as per SEBI regulations. Every mutual fund and Asset Management Company is required to dispatch to the unit holders the dividend warrants within 30 days of the declaration of the dividend.

Cut in lending rates by banks

2043. SHRIMATI T. RATNA BAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has asked the public sector banks to examine the possibility of cutting lending rates in the present period of recession;

(b) if so, the details thereof; and

(c) how the common man especially the Below Poverty Line (BPL) families would benefit from such measures in the country especially the SC/ST people?